

STATE OF MICHIGAN  
DEPARTMENT OF ENVIRONMENTAL QUALITY  
SUPERVISOR OF WELLS

IN THE MATTER OF

A HEARING TO BE HELD AT THE INITIATIVE OF THE )  
SUPERVISOR OF WELLS TO DO THE FOLLOWING WITH )  
RESPECT TO TRENTON AND BLACK RIVER FORMATION WELLS )  
WITHIN A CERTAIN GEOGRAPHIC AREA: SET OIL AND GAS )  
ALLOWABLES; ESTABLISH OR MAINTAIN SPACING AND ) CAUSE 18-2007  
LOCATION OF WELLS; CONSIDER THE DESIRABILITY OF )  
RESTRICTING FLARING OR VENTING OF GAS; AND AMENDING )  
OR ABROGATING CERTAIN PROVISIONS OF ORDERS (A) 9-7-84 )  
AND (A) 4-10-88, WHICH PROVIDE FOR SPACING AND )  
PRORATION OF TRENTON BLACK RIVER FORMATION WELLS IN )  
CALHOUN, JACKSON AND HILLSDALE COUNTIES.

**PRE-HEARING CONFERENCE ORDER**

On December 18, 2007, a pre-hearing conference was held in the above captioned case. After review of the Notice of Hearing and its publication, the Administrative Law Judge determined that the Notice and its publication were adequate to provide notice to those persons who may be interested in this proceeding and were proper. During this pre-hearing conference, the Parties and their representatives were established as: the Office of Geological Survey by Barbara Schmidt, Department of Attorney General (DAG); Savoy Energy, L.P. by Mr. John Norris, attorney; Matrix Exploration and Development, LLC and Titan Energy, LLC by Mr. Peter Zirnhelt, attorney; Trendwell Energy Corporation by Mr. William Horn, attorney; Continental Resources Inc. by Mr. Gary Worman, attorney; and the West Bay Group by Mr. James R. Neal, attorney.

Mr. David Dzierwa filed a timely answer. However, he did not appear for the pre-hearing conference and, therefore, is not a full party to this proceeding. Mr. Dzierwa may make a statement on the record, not under oath, at the close of the proofs.


The Parties agreed to the following procedure for the hearing.

THEREFORE, IT IS ORDERED:

1. The Notice of Hearing set January 15 and 16, 2008, as the days for hearing. These dates are cancelled and the new hearing dates are March 4, 5, 6, and 7, 2008. The hearing shall begin on March 4, 2008 at 9:30 a.m. in the Stephen Nisbet hearing room, atrium level, south tower, Constitution Hall, 525 W. Allegan, Lansing, Michigan 48909.

2. The Office of Geological Survey shall present its evidence first. The remaining five Parties shall discuss their order of presentation, and shall notify the Assistant Supervisor on or before February 14, 2008, of their agreement or lack thereof. If no agreement is reached, the Assistant Supervisor shall notify the parties of their order of presentation no later than February 28, 2008.
3. There is no need for pre-hearing Motions to be filed in this case.
4. On or before February 14, 2008, the Office of Geological Survey shall serve its witness list and exhibits, including approximately 32 orders that may be affected by this case, on the other Parties.
5. The remaining Parties shall serve their exhibits and witness lists on the other Parties on or before February 28, 2008.

DATED: Dec. 20, 2007

  
HAROLD R. FITCH  
ASSISTANT SUPERVISOR OF WELLS  
Office of Geological Survey  
P.O. Box 30256  
Lansing, MI 48909-7756

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**NOTICE OF HEARING**

Take notice that a pre-hearing conference and subsequent hearing will be held before the Supervisor of Wells (Supervisor) in the city of Lansing, Michigan, on the EIGHTEENTH DAY OF DECEMBER (DECEMBER 18) 2007 (PRE-HEARING CONFERENCE); and FIFTEENTH AND SIXTEENTH DAYS OF JANUARY (JANUARY 15 AND 16) 2008, (HEARING), BEGINNING AT 9:30 A.M.; AT THE DEPARTMENT OF ENVIRONMENTAL QUALITY, STEPHEN NISBET HEARING ROOM, ATRIUM LEVEL, SOUTH TOWER, CONSTITUTION HALL, 525 WEST ALLEGAN STREET, LANSING, MICHIGAN. The pre-hearing conference and hearing will be conducted pursuant to Part 615, Supervisor of Wells, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.61501 et seq.; the administrative rules, 1996 ACS, 2001 MR 2, 2002 MR 23, R 324.101 et seq.; and the Administrative Procedures Act, 1969 PA 306, as amended, MCL 24.201 et seq.; MSA 3.560(101) et seq.

The Supervisor of Wells is initiating a technical evidentiary hearing for the purpose of receiving testimony and evidence pertaining to the need or desirability of issuing a Trenton Black River Formation order considering the following:

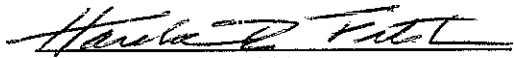
1. Establishing a certain geographical area to include the following counties:  
Barry, Eaton, Ingham, Livingston, Oakland, Macomb, St. Clair, Wayne, Washtenaw,  
Jackson, Calhoun, Branch, Hillsdale, Lenawee, and Monroe
2. Establishing or maintaining oil and gas allowables in the above mentioned geographic area equivalent to the current allowables in the Stoney Point Field of 150 BOPD and 175 MCFD
3. Establishing spacing for new wells and maintaining spacing for existing wells.
4. Restricting the flaring or venting of gas.
5. Amending or abrogating Order No. (A) 9-7-84 and Order No. (A) 4-10-88 which provide for spacing and proration of Trenton Black River Formation wells located within specified areas of Calhoun, Jackson, and Hillsdale counties.

The pre-hearing conference is for the purpose of establishing parties and identifying and clarifying issues

Take note that if you wish to participate as a party in the hearing by presenting evidence or cross-examining witnesses, you shall prepare and mail or otherwise deliver to the Supervisor, not less than 5 days before the pre-hearing conference date, an answer in the matter. The answer shall state with specificity the interested person's position with regard to the matter. Mail the letter to the Supervisor in care of the Assistant Supervisor of Wells, Mr. Harold R. Fitch, Geological Survey Division, P.O. Box 30256, Lansing, Michigan 48909-7756.

Questions regarding this Notice of Hearing should be directed to Ms. Susan Maul, Office of Geological Survey, Michigan Department of Environmental Quality, P.O. Box 30256, Lansing, Michigan 48909-7756, telephone number 517-241-1552. Persons with disabilities needing accommodations for effective participation in this hearing should call or write Ms. Maul at least a week in advance of the hearing date to request mobility, visual, hearing, or other assistance.

Dated: *Oct. 30, 2007*

  
HAROLD R. FITCH  
ASSISTANT SUPERVISOR OF WELLS  
Office of Geological Survey  
P.O. Box 30256  
Lansing, MI 48909